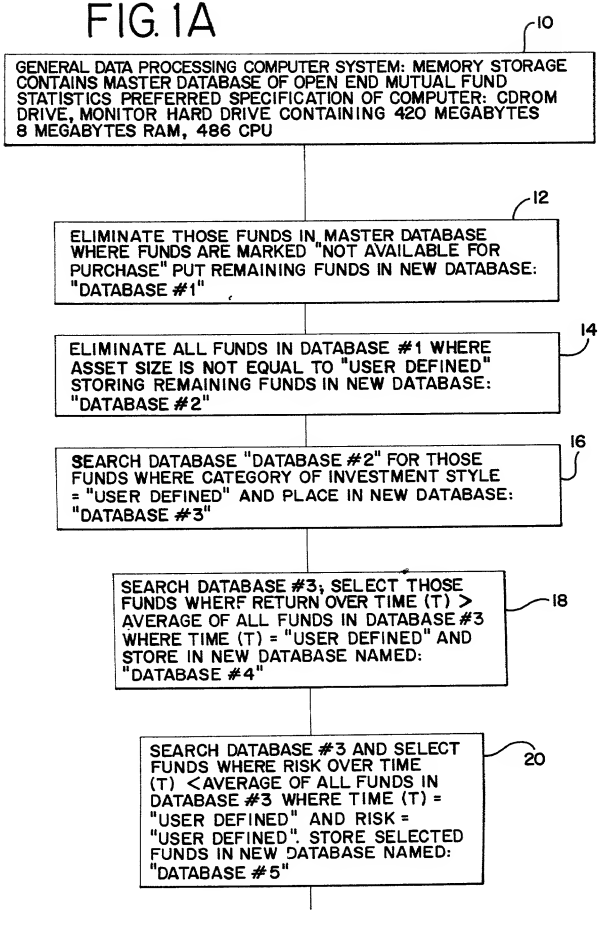
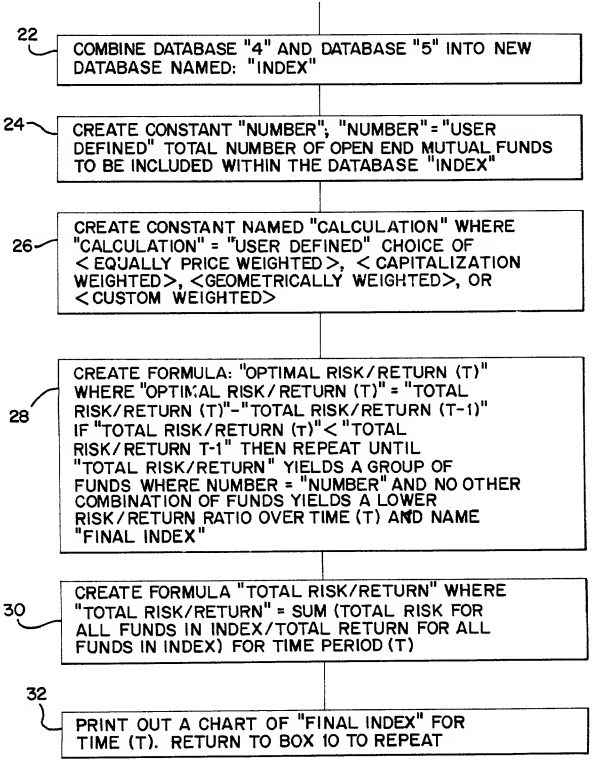
FIG. 1A



5,845,267

FIG. 1B


22
COMBINE DATABASE "4" AND DATABASE "5" INTO NEW DATABASE NAMED: "INDEX"
24
CREATE CONSTANT "NUMBER", "NUMBER" = "USER DEFINED" TOTAL NUMBER OF OPEN END MUTUAL FUNDS TO BE INCLUDED WITHIN THE DATABASE "INDEX"
26
CREATE CONSTANT NAMED "CALCULATION" WHERE "CALCULATION" = "USER DEFINED" CHOICE OF <EQUALLY PRICE WEIGHTED>, <CAPITALIZATION WEIGHTED>, <GEOMETRICALLY WEIGHTED>, OR <CUSTOM WEIGHTED>
28
CREATE FORMULA: "OPTIMAL RISK/RETURN (T)" WHERE "OPTIMAL RISK/RETURN (T)" = "TOTAL RISK/RETURN (T)"-"TOTAL RISK/RETURN (T-1)" IF "TOTAL RISK/RETURN (T)"<"TOTAL RISK/RETURN T-1" THEN REPEAT UNTIL "TOTAL RISK/RETURN" YIELDS A GROUP OF FUNDS WHERE NUMBER = "NUMBER" AND NO OTHER COMBINATION OF FUNDS YIELDS A LOWER RISK/RETURN RATIO OVER TIME (T) AND NAME "FINAL INDEX"
30
CREATE FORMULA "TOTAL RISK/RETURN" WHERE "TOTAL RISK/RETURN" = SUM (TOTAL RISK FOR ALL FUNDS IN INDEX/TOTAL RETURN FOR ALL FUNDS IN INDEX) FOR TIME PERIOD (T)
32
PRINT OUT A CHART OF "FINAL INDEX" FOR TIME (T). RETURN TO BOX 10 TO REPEAT

T09T20'8228H3860

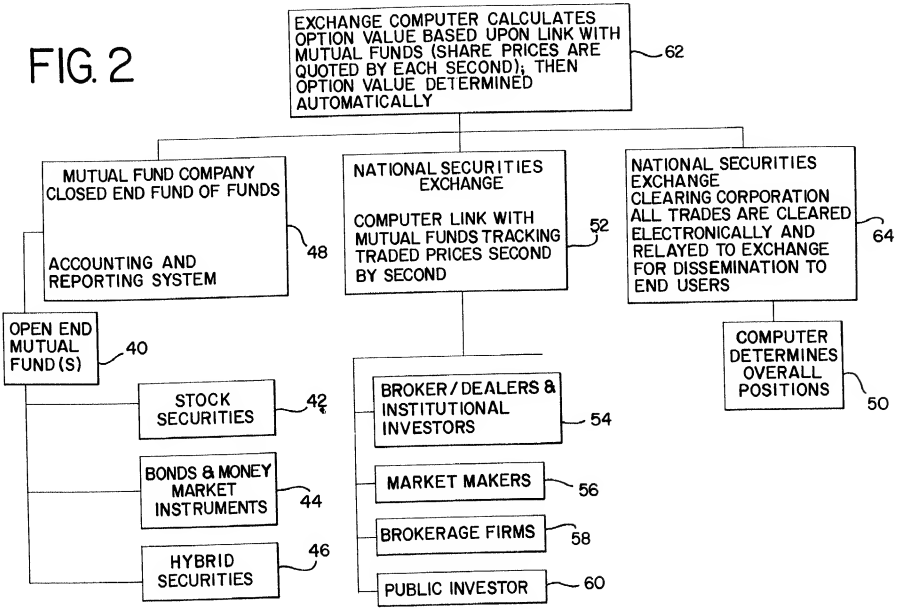



FIG. 2